

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

No. 1056

Washington, D. C.

September 29, 1945

## HIGHLIGHTS THIS WEEK

Secretary of Labor Schwellenbach and Secretary of Agriculture Anderson approve the proposed amendments (S. 1349) to the Fair Labor Standards Act at hearings before a Senate sub-committee, as reported on page 8792. The amendments would remove the exemptions for fish and agricultural processing workers.

The Army is expected next week to issue further instructions on the handling of stocks of V-boxes made excess by recent cuts in set-aside percentages. Details of reimbursements for such material held by canners of sea herring, Maine sardines, Atlantic and West Coast mackerel, and pilchards are presented on page 8787.

Army contract terminations for canned pork, jams, dehydrated vegetables, cereal, and dry milk are announced on page 8786 as are reduction in the over-all procurement program, effecting meat, fats and oils, sugar and dairy products. It is believed that further reductions in canned fruit, vegetable and fish set-asides will be announced shortly.

Maine sardine ceilings effective October 2 will be \$5.05 per case of 48 scored top No. ¾ cans. Details on 8787.

U. S. jurisdiction over the natural resources of the continental shelf under the high seas contiguous to American coasts, and establishment of protective zones for American fisheries are established by proclamation of President Truman. Details on page 8790.

With termination of the Foreign Economic Administration (see page 8786) its foreign food functions are transferred to the Department of Agriculture, Lend-lease administration and UNRRA matters to the State Department, and other functions to Commerce and RFC.

Copies of the agreement covering the 1945 subsidy program for canned snap beans, green peas, sweet corn, tomatoes, tomato products, and green pea soup will be mailed canners early next week, informed USDA sources stated Friday.

## N.C.A. Fish Committee Named

A new committee of the National Canners Association has been formed for the purpose of recommending N. C. A. policies of operation in the field of canned fish and sea food and to consult with the Secretary of the Association regarding administration of these policies.

Known as the N. C. A. Canned Fish and Sea Food Committee, its membership of 16 was appointed September 27 by President Fred A. Stare, who has called the first meeting of the group for November 15 and 16 at Association headquarters in Washington.

## Canned Snap Bean Ceilings Announced

Ceiling prices for processors' sales of 1945 canned snap beans are established in Amendment 2 to Supplement 13 to Food Products Regulation 1, which the Office of Price Administration announces will be made effective October 6.

The OPA stated that the general average of snap bean ceilings will not be significantly different from last year. Some changes have been made, however, in price ceilings for individual items. The major changes are necessary to reflect changes in grower support prices, particularly for pole beans, it was stated.

For example, in Area 11 (Washington, Oregon, California and certain counties in Idaho), the ceiling prices for the smallest pole beans (sieve sizes 1 through 4) have been increased 11 cents a dozen No. 2 cans. For the larger pole beans (sieve sizes 5 and up) and for ungraded pole beans, ceiling prices have been decreased eight cents a dozen No. 2 cans.

A minor change widens price ranges for canned snap beans in the Rocky Mountain area to correct some inequities that existed under the old prices, OPA said.

The OPA said that the price ranges and the permitted increases in 5 of the 11 areas have been changed from those existing under Supplement 7, the regulation governing the 1944 ceilings. In Areas 2, 8 and 9 the changes arise because of revisions in the weighted average support prices, while in Areas 10 and 11 the changes are due to the different treatment given pole beans compared to last year.

Amendment 2 to Supplement 13 makes the following changes in the permitted increases, the top and bottom of the price ranges of Table 3, and the specific dollar and cent maximum prices of Table 4. These are, for each (See CANNED BEAN PRICES, page 8791)

### Army Cuts Food Procurement for the Next Twelve Months

Army food procurement plans for the twelve months from October 1, 1945, through September, 1946, call for the purchase of 53 per cent less meat, 48 per cent less fats and oils, 51 per cent less sugar and a 61 per cent over-all reduction in dairy products, according to an official announcement by the War Department.

Total food requirements for the 12-month period are reported as 42 per cent below pre-V-J estimates. Because of Army inventories of some food items, of which major procurement is made during seasons of peak production, future procurement of these foods can be reduced even more sharply than is indicated by the percentage reduction.

Wartime cheese inventories, accumulated during the early months of the year when production was at its peak, are now such that the Army expects to buy no more cheese until well into 1946. Butter procurement will be reduced by 52 per cent, evaporated milk 57 per cent, dry skim milk 71 per cent, and dry whole milk 39 per cent.

Procurement of fats and oils will be reduced by 44 per cent for lard and 54 per cent for shortenings and other edible oils, according to present plans. Military issue of edible fats and oils has been reduced considerably by the use of fats rendered in Army mess kitchens and meat cutting plants.

### Support of Great Lake Fisheries

Unanimity of view that steps should be taken to prevent any decline of the Great Lakes fisheries and to provide for their development by cooperation and joint action by the governmental agencies of both countries was achieved by officials representing the U. S. Department of State and the Canadian Department of External Affairs at meetings in Ottawa on September 18-19, according to a press release issued by the State Department.

The United States delegates were Hubert R. Gallagher, assistant director of the Council of State Governments and Dr. John Van Oostem, Fish and Wildlife Service. Canadian delegates were D. J. Taylor, deputy minister of Game and Fisheries, Province of Ontario and Dr. A. G. Huntsman, consulting director to the Fisheries Research Board of Canada. Other representatives of the State Department, the Fish and Wildlife Service, the Canadian Department of Fisheries and the Province of Ontario were present in an advisory capacity, though the U. S. delegation previously had received the views of States bordering the Great Lakes.

### Forthcoming Meetings

October 11—Association of Pacific Fisheries, 32nd Annual Convention, Spokane, Wash.

October 15-16—Boston Conference on Distribution, Hotel Statler, Boston, Mass.

October 16-17—Board of Directors, National Pickle Packers Association, with Eastern Seaboard pickle manufacturers, Hotel New Yorker, New York City.

October 17—Special meeting of the pickle and kraut manufacturers of the New York Metropolitan District and the Eastern Seaboard, Hotel New Yorker, N. Y. C.

October 18-20—Florida Canners Association, Fourteenth Annual Meeting, Sheraton-Plaza Hotel, Daytona Beach.

November 7-9—Grocery Manufacturers of America, Annual Meeting, Waldorf-Astoria Hotel, New York.

November 12-13—Wisconsin Canners Association, Annual Meeting, Schroeder Hotel, Milwaukee.

November 15-16—Indiana Canners Association, Annual Convention, Claypool Hotel, Indianapolis.

November 20-30—Pennsylvania Canners Association, Annual Convention, Yorktowne Hotel, York.

October 18-19—Michigan Canners Association, plant sanitation meeting, Michigan State College, East Lansing.

November 5-6—Michigan Canners Association, Annual Fall Meeting, Pantlind Hotel, Grand Rapids.

### President Terminates FEA

President Truman on Thursday, ordered the termination of the Foreign Economic Administration, and transferred its functions to the Agriculture, State, and Commerce Departments and the Reconstruction Finance Corporation. The President at the same time accepted the resignation of Leo T. Crowley as FEA administrator, and as chairman of the Board of the Federal Deposit Insurance Corporation, effective October 15.

The order terminating FEA directs the transfer of the functions of the Office of Foreign Food Programs and all other FEA programs involving food, food machinery, and all other food facilities to be transferred to USDA. The State Department will take over the FEA functions involving administration of Lend-lease, participation by the United States and the United Nations Relief and Rehabilitation Administration, and the buying of certain strategic materials in liberated areas. Other FEA programs were transferred to the Commerce Department and to RFC.

### FEA Group Meets to Discuss Exports; Lend-lease Ending

A meeting of the Foreign Economic Administration's Export Advisory Committee was held in Washington on September 27, at which the following topics were under discussion: The effect of discontinuance of Lend-lease on future U. S. foreign trade; activities of foreign purchasing missions in the U. S.; relaxation of export controls; prospects for re-opening private trade with the Far East; and developments in the Philippine Islands.

Government officials taking part in the discussions included representatives from the Department of State and Bureau of Foreign and Domestic Commerce as well as Sidney Scheuer, Executive Director of the Bureau of Supplies; Arthur Paul, Executive Director of the Bureau of Areas; and Walter Freedman, Director of the Requirements and Supply Branch of FEA.

The export Advisory Committee consists of 18 members representing export and industrial interests from the East and West Coast and the Middle West.

### Army Terminates Contracts for Canned Pork, Dehydrated Items

Army contract terminations for 60,000,000 pounds of canned pork products, 30,000,000 pounds of dehydrated vegetables and quantities of cereal, dry milk, and jams were announced Sept. 27.

Pork products which have been already canned will be delivered to the Army in spite of the cancellations, it was announced. Dollar value of these contracts including quantities yet to be delivered total approximately \$23,000,000.

Terminations of contracts for dehydrated vegetables are in addition to the 80,000,000 pounds of various dehydrated vegetables involved in Army cancellations in August. Cancellations of the Army's remaining contracts for cereal, whole dry milk, and jams represent the balance of the outstanding contracts for these items.

Items included in these contract terminations are announced as follows: 7,593,000 pounds of canned ham shanks; 19,618,000 pounds of canned pork and gravy; 5,812,000 pounds of canned pork sausage; 30,000 pounds of canned bacon; 776,000 pounds of rolled oats; 3,769,065 pounds of uncooked wheat and whole wheat cereals; 17,500,000 pounds of whole dry milk; 4,111,414 pounds of jams; 1,600,000 pounds of dehydrated cabbage; 1,400,000 pounds of dehydrated carrots; 1,750,000 pounds of dehydrated onions; and 26,800,000 pounds of dehydrated potatoes.

## USDA TO REIMBURSE FISH CANNERS FOR EXPORT CASES

### PBT-401 Contract Rates Should Be Used in Filing Claims Regarding Excess Packaging

Because government set-asides of canned fish reserved under War Food Order 44 have been materially reduced from those in effect on April 1, most canners probably will have on hand excess export packaging material or special cans which they do not now need and for which they are entitled to reimbursement, the U. S. Department of Agriculture advised the Association on September 24. Canners may file claims for the added cost of such material in accordance with section 2 (d) of "Canned Fish—General Contract Conditions," USDA Form PBT-401, which covers sea herring, Maine sardines, Atlantic mackerel, pilchards and West Coast mackerel.

In order that this may be accomplished in a uniform manner, canners should not file claims until completion of deliveries of the government quota under each expiring contract. After that time a separate claim may be filed for excess packaging material at the rates set forth in the contract.

Claims shall state the number of V3c, V3s, or export wood boxes actually purchased and received in accordance with each contract in the fulfillment of the government quota as established by WFO 44 in effect April 1, 1945, and the number of V3c, V3s, or export wood boxes actually delivered by the canners to the Government. The difference between the above items will represent the quantity for which claim may be filed at the rate provided in the contract for V3c, V3s, and export wood boxes, respectively.

Similar information with respect to the purchase and receipt of special cans in the fulfillment of government quotas shall be shown as a separate item on the claim for payment under each contract.

At the time of filing the above claim each canner shall forward to the Washington office of the Special Commodities Branch, U. S. Department of Agriculture, Washington 25, D. C., a report of V3c, V3s, and wood export boxes and special cans used for shipments to the Government, the number of such boxes and special cans used for shipments to others than the Government, and the number and location of V3c, V3s, or export wood boxes and special cans on hand. If unused export boxes and special cans for which adjustment payments have been made are utilized in any government purchase of the 1946 pack of canned fish, the Government will make no additional payment of a

differential on account of the use of such boxes or cans.

If at the present time canners have not actually received the export boxes and special cans required to fulfill their contracts it is suggested that an attempt be made to cancel any purchase commitments. If this can be accomplished without cost such action should be taken in order to reduce the claim against the Government. If such cancellations can be effected only on payment of losses canners should notify USDA of the basis of cancellation in order that it may be determined whether it is to the advantage of the Government to pay the loss rather than appropriate differentials. Whenever practical it is suggested that canners in need of export boxes arrange to utilize excess boxes owned by other canners. Additional information may be obtained from Field Representatives of the Special Commodities Branch, Mal Xavier, 821 Market Street, San Francisco, California, or Kermit J. St. Peter, Eastport, Maine.

### Points Cut on Canned Fish

Ration point values for all canned meats except canned ham were removed, and a reduction of 2 to 3 points in the point values for canned fish were announced Thursday by the Office of Price Administration for the rationing period September 30 through October 27. Canned fish and the one canned meat item are the only remaining canned foods to have point values; the rest have either been removed from rationing or their ration values have been reduced to zero. The old and new point values for canned fish are as follows:

	Points per lb.	
	Old	New
Bonito.....	9	6
Mackerel.....	6	4
Oysters.....	4	2
Salmon.....	9	6
Sardines.....	6	4
Shrimp.....	9	6
Tuna.....	9	6
Yellow Tail.....	9	6
All products containing more than 20 per cent of the fish above.....	4	2

### Ceilings Set on Sun-dried Shrimp

Packers' ceiling price of \$1.40 for 24 glassine or other transparent 1½-ounce bags of sun-dried shrimp has been established by the Office of Price Administration.

The new ceiling, effective Oct. 1, by Amendment 2 to Maximum Price Regulation 419, is for delivered sales to retailers. This represents the level of prices under the General Maximum

Price Regulation, which "freezes" each seller's price at the highest amount he charged in March, 1942. There will be no change in the price to the consumer.

In containers of five pounds or more, net weight, the previously established ceiling prices of sun-dried shrimp are 35¢ a pound for sales by processors and 42¢ a pound for sales by packers.

For packages of less than five pounds, net weight, not packed in 1½-ounce glassine bags, the ceiling will be set upon application to OPA in Washington for an individual ceiling for each seller.

### No. ¾ Size Maine Sardines Get Ceilings of \$5.05 per Case

The ceiling price for sales by canners of Maine sardines in scored top No. ¾ containers will be \$5.05 for a case of 48 cans, when individually wrapped or packed in cartons, the Office of Price Administration announced September 28.

This ceiling, effective October 2, by Amendment 7 to Maximum Price Regulation 184, applies to the scored can containing 11 ounces of fish, either wrapped or in cartons with keys, and packed either in mustard or tomato sauce. A deduction of 12½ cents a case is made for this pack of sardines when the canner is unable to furnish keys.

Previously, ceilings for this pack, either wrapped or in cartons, were not established because the ¾ size of Maine sardines was not individually wrapped or packed in cartons during the war, said OPA. Now that canners have resumed production of this pack, they have requested OPA to establish a ceiling.

The ceiling already set for 48 No. ¾ cans of the standard keyless pack (not wrapped or in cartons) is 50 cents less, or \$4.55 per case.

### Alaska Salmon Pack Report

The following table, prepared from statistics compiled by the U. S. Fish and Wildlife Service, shows the pack of Alaska canned salmon by regions and varieties, through September 15, 1945, as compared with a similar period in 1944:

Districts	1945	1944
	Cases	Cases
Western Alaska.....	704,553	1,027,036
Central Alaska.....	2,084,615	1,870,991
Southeastern Alaska.....	1,409,880	1,043,436
Total.....	4,299,048	4,941,463
Species	1945	1944
	Cases	Cases
King.....	37,117	33,740
Red.....	1,167,085	1,567,521
Pink.....	2,212,501	2,040,174
Chum.....	679,053	994,941
Coho.....	193,292	205,087
Total.....	4,299,048	4,941,463



## New N. C. A. Leaflet Stresses Canned Food Nutritive Values

"Nutritive Values of Canned Foods," a new leaflet issued by the Association to give scientific information about canned foods in simple language for people with little or no scientific training, has been mailed to all member canners and the industry generally. Since there are thousands of children who never go beyond high school, but who become homemakers, the leaflet will serve a definite need for this segment of the population by providing them with some information about what canned foods contribute to the daily diet and how they can get the best use from them.

"Nutritive Values of Canned Foods" was prepared by Marjorie H. Black of the Association's Home Economics Division in cooperation with the N.C.A. Washington Laboratory and is based on the research work conducted by the National Canners Association and the Can Manufacturers Institute.

Members and other persons desiring additional copies of the new leaflet may obtain them upon request from the N.C.A. Home Economics Division.

## Sugar for Canning Dry Beans

Provisional allowances of sugar for commercial processing of beans will be granted on the basis of the average amount of sugar used in processing each type of bean in 1941, the Office of Price Administration has announced. Before this action, which was taken in Amendment 36 to Second Revised Ration Order 3, effective September 15, provisional allowances of sugar for processing beans were issued on the basis of the average amount the processor used for all types of dried beans in 1941.

Since varying amounts of sugar are used in packing different types of beans, processors unable to get supplies of beans that take relatively small amounts of sugar have been at a disadvantage, OPA explained. The new provision sets up a flexible method of meeting their needs.

## Sugar Shipping Records Required

Every shipment of 100 pounds or more of sugar must be accompanied by a statement showing the names and addresses of the shipper and the person to whom the sugar is being sent, and the amount of the shipment, the Office of Price Administration has announced. This provision, effective September 28, in Amendment 37 to Second Revised

Ration Order 3, requires that the information be kept available in the freight car, truck, or other means of transportation used. In addition, a copy of the statement must be retained at the principal business office of the shipper.

The action is designed to prevent diversion of sugar to unauthorized sources. No additional burden will be imposed on dealers engaged in legitimate business, since they have customarily included this information in their shipping documents, OPA said. Previously, however, shippers were not required to supply this information or to make it available for inspection, with the result that investigators often were unable to check the points of origin and the destinations of shipments.

## Consumer Complaint Bulletin

To provide members and distributors with complete information regarding the nature and scope of the Association's service which is available in connection with consumer complaints involving canned food products of N.C.A. members, the Association has just published a bulletin entitled "Consumer Claims Against Food Canners," a copy of which has been mailed to all members. Any comments or suggestions from members concerning the bulletin will be welcomed.

At the request of the National American Wholesale Grocers Association, the U. S. Wholesale Grocers Association, and the National Association of Food Chains, copies also are being sent to their offices for distribution to their members. Additional copies of the bulletin are available upon request.

## Seek to Combine OPA and WPB

A plan to combine the Office of Price Administration and the War Production Board into one agency to be known as the Office of Reconversion Operations has been submitted to John W. Synder, War Mobilization and Reconversion Director. Under the proposed plan, the consolidated agency would have independent status under the supervision of the Office of War Mobilization and Reconversion and would carry on all operating functions. However, all policy-making functions on price and production controls and Congressional contact work on the renewal of price and material controls legislation would be absorbed directly by OWMR. If the consolidation plan is adopted, announcement of the new agency is expected to come within a few days.

## Table-use Cranberry Ceilings Established for Four States

Ceiling prices for table-use cranberries, grown in Massachusetts, Rhode Island, New York and New Jersey have been announced by the Office of Price Administration. They will start at \$4.70 for a standard ¼ barrel box and increase to \$5.15 as the season progresses, it was stated.

The announcement included a statement that there are no ceilings on the berries for sales to processors, and that maximum prices for processed cranberries will be set at a level to reflect a national average grower price of \$16.02 per hundred pounds, delivered to the customary receiving point. This reflected price for the berries for processing compares with the price of \$22.38 recognized in ceilings last year, OPA stated.

## Labeling Program Publicized

The Association's labeling program is mentioned in a special article carried in the business section of *The New York Times* for Sunday, September 23. The article points out that "increasing numbers of canners, packers and processors are preparing new and more informative labels for their products as they shift the major part of their output from supplying the Government to that of the civilian trade."

Based on information supplied by the Grocery Manufacturers of America, Inc., the article goes on to state that an important step in labeling has been the agreement by many wholesale grocers and chain-store officials to follow the conclusions resulting from studies being made by the National Canners Association, and it includes a description of the N.C.A. tests of color components, results of which are to be the basis of selecting label terminology.

## Death Takes Florida Canner

An automobile accident on the Tamiami Trail just south of Venice, Fla., caused the death of Marvin S. Knight, general manager of the Lee County Packing Company, Fort Myers, Fla. Mr. Knight, who until recently had been vice-president of the J. M. Ingram Packing Company at Tampa, Fla., was on his way to spend the week-end with his family in Tampa when the rear tire on his car blew out, throwing the vehicle in the path of an approaching automobile. He is survived by his widow, two children, and parents.

## CONGRESS SUMMARY

Minimum wage and full employment bills occupied Congress most of the week. Most important of the proposed legislation affecting canners and food processors came from the Senate Subcommittee on Education and Labor, which began testimony Tuesday on S. 1349 and heard endorsements from both Secretary of Labor Schwelienbach and Secretary of Agriculture Anderson advocating the removal of the exemptions now granted canners under the Wage and Hour Law. (Details of this testimony appear on page 8792.) Other legislation taken up by the Congress is summarized below.

### Report on Tax-exempt Groups

A report on business activities of organizations exempted from taxation under Section 101 of the Internal Revenue Code was expected to be completed and presented to the Joint Committee on Internal Revenue Taxation, late this week, according to Colin F. Stam, chief of the tax experts for the committee.

Because of its possible effect on organizations now enjoying tax exempt status, there is wide interest in the report, especially among cooperative organizations. What the report will contain is for the Joint Committee alone and will not be divulged or hinted at until Chairman George, of Georgia, decides to make it public, Stam said. It is known, however, that the experts have been working on a factual presentation and that the policy for dealing with tax exempt organizations will be formulated by Congress with only a minimum of recommendations from the experts in the initial report.

The report is expected to reveal business activities of a long list of tax-exempt organizations including cooperative associations of various kinds, labor unions, trade associations and other groups. Inquiry into the affairs of such organizations was directed by Congress in the Revenue Act of 1943, over the strong opposition of labor leaders and others. When the measure was under discussion on the Senate floor, Senator George expressed his view that profits of such organizations resulting from business undertakings in competition with private industry should be taxed.

The forthcoming report is designed to afford the tax committees of Congress information upon which to base tax legislation covering these profits should the committees desire to recommend it to Congress. Based on detailed reports of the tax-exempt organizations on their 1943 and 1944 activities, the re-

port is expected to cover a wide range of activity. In writing the report, the experts dealt mainly with the return covering 1943 operations. Those for 1944 also are available but were not made until the experts were well launched in their task.

Chairman George has indicated that the report will be made public. Indications, however, are that it will not be released for publication until the Joint Committee has had an opportunity to examine it. The Joint Committee is composed of senior members, of both political parties, of the Ways and Means and Finance Committees.

Should the report go to the Joint Committee this week-end, it may not be made public for several days thereafter.

### Dissolution of U. S. Corporations

Representative Rees, Kansas, introduced a bill in the House on Monday to dissolve 21 government corporations whose combined transactions are estimated to total billions of dollars annually. Twelve will be dissolved by July 1, 1946, and the remaining nine by July 1, 1947. Some of the corporations already have been ordered merged with others.

Marked for dissolution by July 1, next, under the bill would be the War Damage Corporation; Defense Homes Corporation; Institute of Inter-American Affairs; Institute of Inter-American Transportation; Rubber Development Corporation; Inter-American Educational Foundation, Inc.; Inter-American Navigation Corporation; Prencinradio, Inc.; Cargoes, Inc.; Petroleum Reserves Corporation; Commercial Company; and Smaller War Plants Corporation.

Those marked for dissolution a year later are: Home Owners' Loan Corporation; Defense Supplies Corporation; Metals Reserve Company; Rubber Reserve Company; Disaster Loan Corporation; Defense Plant Corporation; United States Spruce Production Corporation; and the United States Housing Corporation.

### Philippine Free Trade Bill

Legislation was introduced in the House on September 24 by Representative C. Jasper Bell of Missouri, chairman of the House Insular Affairs Committee, to provide for 20 years of free trade with the Philippines. A digest of the trade relations bill follows:

1. Provides 20 years' free trade between the United States and the Philippines, subject only to certain exceptions and provisions set forth in the bill.
2. The bill provides for quotas for Philippine products coming into the

United States. Those quotas are almost exactly the same as provided in existing laws.

3. Provision has been made that on or after January 1, 1948, Congress may establish quotas on other Philippine products coming into the U. S. in substantial competition with like U. S. articles, provided the Tariff Commission shall find that the cost of production of the Philippine articles is 20 per cent or more below the cost of the like U. S. articles.

4. There are provisions for the allocations of quota amounts among Philippine producers.

### U. S. Plants to Cooperatives

Representative LaFollette of Indiana has introduced a bill (H. R. 4181) to sell or lease federally-owned war plants to bona fide workers' cooperatives or to continue government operation of such plants in the interest of consumers and full employment under fair labor employment standards and practices. Section 9 (a) of the proposed bill reads as follows:

"The Congress declares that it takes cognizance of the claims, presently being made in the United States, that consumer goods can be more efficiently produced in the interest of consumers, and full employment under fair labor employment standards and practices more certainly obtained, either through the operation of industrial plants by workers' cooperatives, or by government ownership and operation, than by the accepted American method of private employer ownership and employee workers."

The House Ways and Means Committee voted 14 to 10 on Tuesday to postpone indefinitely any action on the Administration's Emergency Jobless Aid Bill. President Truman on Thursday, however, urged the House to take action on this matter.

Hearings on H. R. 4130 will begin October 15. This bill was discussed in detail in last week's LETTER.

### Storage of Tomato Plants

The results of a storage experiment conducted at the Purdue Experiment Station confirmed previous findings that tomato plants may be held for five or six days at 40° to 46° F. without deteriorating to any extent. Plants so stored were as productive, when set in the field, as equally large, freshly pulled plants. The production of plants stored at 76° F. was, on the other hand, only 74 per cent as good as that of fresh plants. Cool storage is probably the best method of preserving, for a short time, shipped plants which arrive at destination when they cannot be set out immediately.

## PRESIDENTIAL PROCLAMATION GIVES U. S. JURISDICTION OVER CONTINENTAL SHELF CONTIGUOUS TO COASTLINES

### Also Establishes Conservation Zones to Protect American Fisheries

The President on September 28 issued two proclamations asserting the jurisdiction of the United States over the natural resources of the continental shelf under the high seas contiguous to the coasts of the United States and its territories, and providing for the establishment of conservation zones for the protection of fisheries in certain areas of the high seas contiguous to the United States.

Two companion Executive orders also were issued by the President. One reserved and set aside the resources of the continental shelf under the high seas and placed them for administrative purposes, pending legislative action, under the jurisdiction and control of the Secretary of the Interior. The other provided for the establishment by Executive orders, on recommendation of the Secretary of State and the Secretary of the Interior, of fishery conservation zones in areas of the high seas contiguous to the coasts of the United States.

Until the present the only high seas fisheries in the regulation of which the United States has participated, under treaties or conventions, are those for whales, Pacific halibut and fur seals.

In areas where fisheries have been or shall hereafter be developed and maintained by nationals of the United States alone, explicitly bounded zones will be set up in which the United States may regulate and control all fishing activities.

In other areas where the nationals of other countries, as well as our own, have developed or shall hereafter legitimately develop fisheries, zones may be established by agreements between the United States and such other states and joint regulations and control will be put into effect.

The United States will recognize the rights of other countries to establish conservation zones off their own coasts where the interests of nationals of the United States are recognized in the same manner that we recognize the interests of the nationals of the other countries.

The assertion of this policy has long been advocated by conservationists, including a substantial section of the fishing industry of the United States, since regulation of a fishery resource within territorial waters cannot control the misuse or prevent the depletion of that resource through uncontrolled fishery activities conducted outside of the

commonly accepted limits of territorial jurisdiction.

As a result of the establishment of this new policy, the United States will be able to protect effectively, for instance, its most valuable fishery, that for the Alaska salmon. Through painstaking conservation efforts and scientific management, the United States has made excellent progress in maintaining the salmon at high levels. However, since the salmon spends a considerable portion of its life in the open sea, uncontrolled fishery activities on the high seas, either by nationals of the United States or other countries, have constituted an ever present menace to the salmon fishery. The following is quoted from the President's proclamation:

*Policy of the United States with respect to coastal fisheries in certain areas of the high seas*—"In view of the pressing need for conservation and protection of fishery resources, the Government of the United States regards it as proper to establish conservation zones in those areas of the high seas contiguous to the coasts of the United States wherein fishing activities have been or in the future may be developed and maintained on a substantial scale. Where such activities have been or shall hereafter be developed and maintained by its nationals alone, the United States regards it as proper to establish explicitly bounded conservation zones in which fishing activities shall be subject to the regulation and control of the United States. Where such activities have been or shall hereafter be legitimately developed and maintained jointly by nationals of the United States and nationals of other States, explicitly bounded conservation zones may be established under agreements between the United States and such other States; and all fishing activities in such zones shall be subject to regulation and control as provided in such agreements. The right of any State to establish conservation zones off its shores in accordance with the above principles is conceded, provided that corresponding recognition is given to any fishing interests of nationals of the United States which may exist in such areas. The character as high seas of the areas in which such conservation zones are established and the right to their free and unimpeded navigation are in no way thus affected."

The Association is mailing to fish canners full copies of the proclamation and Executive order.

### Fertilization of Sweet Corn

The studies in Maine on sweet corn fertilization were limited in 1943 to a nitrogen side dressing experiment on

each of two farms. One of the tests was conducted by the Maine Agricultural Experiment Station near Hartland and the other near East Corinth. Comparisons were made of five nitrogen carriers (nitrate of soda, sulfate of ammonia, ammonium nitrate, calcium nitrate, and uramon) at two levels of nitrogen application. The side dressings were applied July 20 when the sweet corn was about knee high.

The side dressing of 30 pounds of nitrogen per acre (equivalent to about 188 pounds per acre of nitrate of soda) increased the yield on both farms by approximately one ton of snapped ears or about 1,500 pounds of usable ears per acre. The heavier side dressing, 60 pounds of nitrogen per acre, further increased the yield to some extent on both farms but was much more profitable on the lower yielding farm.

These data contained in the report of the Station, indicate that a side dressing of about 30 pounds of nitrogen per acre on sweet corn is a very profitable practice, particularly during seasons of ample rainfall.

### Corn Borer Resistant Strains

A substation of the Toledo, Ohio, Laboratory for European corn borer research of the U. S. Bureau of Entomology and Plant Quarantine was established at Lafayette in the spring of 1942, with quarters at the Purdue University Agricultural Station.

According to the latest report of the Station, research at this substation is designed to locate and develop hybrids resistant to the European corn borer in both field and sweet corn. The program is conducted in close cooperation with plant breeders of the U. S. Bureau of Plant Industry, Soils, and Agricultural Engineering and various State experiment stations. In addition, surveys of corn borer abundance and damage, conducted in cooperation with interested States, are coordinated at this station.

To date, 12 field corn inbred lines out of all that have been tested have shown outstanding borer resistance.

Thirty-four inbred lines of sweet corn have been classed as relatively resistant to the European corn borer, as measured by borer establishment. Among them, the inbred strains Iowa 45, 1445, 1612, and 1627, and Illinois 8, 11, and 13 are in commercial production. In 1942 the hybrid strain IP 39 x Iowa 45 showed 20.5 per cent fewer borers than Golden Cross Bantam (P 39 x P 51), and in comparison with the hybrid strain Illinois 8 x 6, the hybrids Iowa 1612 x 1445, and Illinois 11 x 13 showed 63, 50.5, and 31.2 per cent fewer borers, respectively.



**CANNED BEAN PRICES**

(Concluded from page 8785)

area, approximately as follows (the differences due to rounding are chiefly for No. 10 cans):

Area 10—Decreases of 2 cents in the permitted increase on No. 2's and decreases of 9 to 10 cents on 10's. The price ranges are widened by decreasing the lower limit and increasing the upper limit in most cases. Although the additional width of the band varies by sieve sizes, the change in the price band is greater for Fancy and Extra Standard than for Standard. The prices in Table 4 are also changed.

Area 11—Increase of 11 cents on sieve sizes 1 to 4 and decrease of 8 cents on 5 and up, including ungraded, on No. 2's. Increase of approximately 56 cents on sieves 1 to 4 and decrease of approximately 39 cents on 5 and up, and ungraded.

Area 1, 3, 4, 5, 6 and 7—no change.

Area 2—Increase of 1 cent per dozen on No. 2's and 5 cents per dozen on 10's.

Area 8—Increase of 1 cent on 2's and 5 cents on 10's.

Area 9—Increase of 2 cents on 2's and 10 cents on 10's.

Tables 5 and 6 are unchanged from last year. Table 7 is the same as for last year except for the addition of separate tables for pole beans in Areas 10 and 11. Tables 8 and 9 are the same as last year except for slight variations for No. 10 cans. Table 10, giving the adjustment for basic wage increases, is added.

In determining maximum prices, all pole beans, all green bush beans, and all wax beans shall be considered as separate varieties. The OPA also has revised the introductory paragraphs covering the selection of base period items along the lines of the corresponding paragraphs relating to green peas in Supplement 13. The new appendix also changes the pricing provisions for blends of more than two sieve sizes, asparagus and French styles of pack pole beans in Areas other than Area 11, and bush beans in Area 11.

In pricing blends of 3 or 4 sieve sizes (containing at least one sieve size smaller than No. 4 sieve) which was sold during the base period, a processor figures his maximum price by adding to the base price for the blend the permitted increase named for the largest sieve size in the blend, and then applying the limitations of the price range for that sieve size after increasing the top and bottom prices by the differential named in the regulation. The processor would then proceed with the remaining steps in figuring his ceilings. A similar pricing provision also is contained for

pricing blends not sold during the base period.

Blends of two sieve sizes are priced the same as the larger single sieve size in the blend. Maximum prices of a blend of more than four sieve sizes is the same as the maximum price ungraded for sieve size.

Amendment 2 to Supplement 13 will be mailed by the Association to all snap bean canners.

**Fertilizer Ratio Experiments with Tomatoes for Canneries**

An outstanding feature of the fertilizer ratio experiment conducted at the New York Agricultural Experiment Station at Geneva is the great improvement in the quality of graded tomatoes resulting from liberal application of well-balanced fertilizers, according to the latest report of the Station. The best fertilizer treatment not only greatly increased the yields, but also made each ton of tomatoes more valuable because of the larger percentage in the U. S. No. 1 grade. Improvement in quality of the tomatoes due to the fertilizer treatments was shown chiefly in the superior color (uniform, deep red without green or orange shoulders) and to greater firmness of the tomatoes.

As in the previous year, fertilizer ratio experiments with cannery tomatoes were conducted in three locations in the State on widely different soil types, namely, Ontario loam (pH 7.2) at Geneva, Palmyra stony loam (pH 6.0), near Marion; and Fulton silty clay loam (pH 4.8), near Irving. The John Baer variety was used in all three locations, but at Geneva the Stokesdale and Rutgers varieties were also included in this experiment.

**Action to Obtain Oyster Seed**

Requests for information on the availability of oyster seed in Japan and that machinery be established to insure its export to growers of oysters on the West Coast were presented to the Government this week by the National Canners Association on behalf of the Northwest oyster industry.

**1945 Asparagus Pack Reported**

The 1945 asparagus pack for the United States totaled 3,920,504 actual cases, as compared with the 1944 pack of 3,832,604 actual cases. Full report of the 1945 pack by can sizes and styles will be reproduced in next week's INFORMATION LETTER.

**CUBAN PINEAPPLE CROP****About Same Size as 1944; Canned Pack Amounted to 300,000 Cases**

Cuba's 1945 pineapple crop, most of which is harvested from April to June, was about the same size as the 1944 crop of 2,482,000 crates, according to a summary appearing in the September 8 issue of Foreign Commerce Weekly published by the U. S. Department of Commerce. At the beginning of the season it was believed that this year's pineapple crop would exceed last year's by 10 per cent but the continued severe drought reduced the yields per acre. Certain areas were scorched by the prolonged drought, and the size of the fruit was much smaller than usual. Seasonal heavy rains did not commence until June 20. Other excerpts from the report follow:

Estimated production of fresh pineapples for export in 1945 has been revised to roughly 73,500,000 pounds, or about 920,000 crates averaging 80 pounds gross and 73 pounds net. The volume of out-of-season pineapples will be substantial this fall, and most of them will be ripened artificially with carbide for shipment in October, when demand in the United States is expected to be brisk. Although the application of carbide reportedly shortens the life of the pineapple plant by one year, producers prefer to hasten ripening by this means in order to take advantage of the attractive prices in the United States.

At the beginning of the season the canning industry expected to pack about 500,000 cases of pineapples, but actually packed only about 300,000 cases, mostly in the form of No. 10 cans of crushed pineapple and toppings. The high prices in the United States for the fresh fruit and the low ceiling price for canned pineapples were the limiting factors. It is reported that some 100,000 cases are still in stock and available for export.

Production of pineapples in brine during 1945 will probably consist of 11,650 barrels, each containing about 300 pounds net. Of this quantity, 1,650 barrels are being used by Cuban manufacturers in making glazed confections shipped semi-processed to the United States. Since 18 crates of fresh pineapples are needed to produce one barrel in brine, it appears that the brined fruit equals about 210,000 crates, or 52 per cent more than in 1944 and 43 per cent more than the average during 1940 to 1943. The reason for this increase in production was the high proportion of small-sized fruit this year.

Frozen pineapples are being exported in increasing quantities. Up to June 30 a total of about 1,500,000 pounds packed in consumer- and institutional-size containers had been shipped and an additional 1,000,000 pounds is expected to be shipped during the remainder of 1945.

## ELIMINATION OF CANNERS' WAGE-HOUR EXEMPTIONS URGED BY SECRETARY SCHWELLENBACH IN SENATE SUBCOMMITTEE

Secretary of Labor Lewis B. Schwellenbach, testifying before the Senate Subcommittee on Education and Labor Tuesday, urged the removal of exemptions now granted agricultural processing industries under the Fair Labor Standards Act and the extension of a 65-cent minimum wage to all employees of these industries. The Labor Secretary endorsed provisions of Senator Claude Pepper's bill (S. 1349) which would delete sections 13(a)(10) and 7(c) of the present Fair Labor Standards Act which now exempt canners and other food processors from minimum wage and overtime pay requirements. Although Senator Pepper's bill calls for a 70-cent minimum wage the second year the legislation is in effect and for a 75-cent minimum wage the third year and thereafter Secretary Schwellenbach did not comment on these proposed increases.

Full text of Secretary Schwellenbach's testimony concerning the deletion on exemptions now permitted agricultural processing industries follows:

"The bill proposes to delete sections 13(a)(10) and 7(c) of the Fair Labor Standards Act which provide for the exemption of certain agricultural processing industries from minimum wage and overtime pay requirements.

"I am in favor of this proposal.

"The extension of the minimum wage requirements of the law to employees in agricultural processing industries is necessary for the reasons I have given with respect to the need for raising the minimum wage to 65 cents an hour. This segment of our wage earning population is entitled, equally with all others, to attain a minimum American standard of living. Full production and employment cannot be attained if this group does not receive the protection of an adequate wage floor. Furthermore, the business enterprise in these industries should also be provided with a uniform basis of competition with regard to the minimum wage.

"I believe that extension of minimum wage coverage in the agricultural processing industries is more feasible at this time than when the Fair Labor Standards Act was enacted because there has been an upward revision in the wage structure.

"I am also of the view that this is a favorable time to narrow the overtime exemption for agricultural processing industries. During the reconversion period, there will be temporary unemployment in those industries which require time to change over to peacetime production. Agricultural processing industries for the most part are not subject to this difficulty, however, since they produce the same goods in war and peace. It is, therefore, reasonable to provide these industries with an in-

centive to employ more people in their regular operations.

"I do not believe that the application of the overtime provisions will result in undue hardship. Agricultural processing industries which are of a truly seasonal character and cannot expand their labor forces during periods of peak production are eligible for a partial overtime pay exemption under section 7(b)(3) of the Act.

"This section provides that employers in industries found by the Administrator of the Wage and Hour Division to be of a seasonal nature and not subject for a fourteen work week period to the requirement of time and one-half after 40 hours but must pay time and one-half for hours over 12 in one day or 56 per week."

Secretary of Agriculture Clinton P. Anderson testified before the committee on Thursday and gave his approval to the adoption of the amendments to the Fair Labor Standards Act. Excerpts from Secretary Anderson's statement follow:

"No one would argue, of course, that raising the minimum wage will not create problems for certain industries and firms which have unusually low wage scales. The wage increases which the passage of these amendments would bring about would be of greatest significance in the textile, tobacco, fruit and vegetable canning, and southern lumber industries. However, the enactment of the proposed amendments would not seriously interfere with the general reconversion program. Moreover, the longtime advantages of increased market outlets for these and other industries will more than offset the temporary disruptions which may occur in a few lines of production. . . . Therefore, I conclude, that amendments of this general nature should be enacted into law."

Hearings on the bill are expected to continue for at least another week. Representatives of labor, industry and agriculture have been invited to testify.

## Report on Use of Light Traps for Control of Corn Borer

According to the latest report of the Purdue Agricultural Experiment Station, in 1942 the light trap studies were transferred from northeastern Indiana to central Indiana (Carroll County), where there is now an almost complete two-generation borer. Twelve lights were used in 12 acres of a large corn field. The study was extended to include activities of moths at hourly periods during the night, in addition to determining seasonal activity and the possible effect on borer population in lighted and unlighted areas.

In the 12 traps a total of 44,950 moths was taken, 16,429 of which were males and 28,530 females. Of the total, 10,736 were first generation moths and 34,223 second generation. While a complete analysis of the results is not yet available, the infestation immediately around the lights was 2.91 borers per plant; between the lights 1.84, and in the unlighted area of the same field, 3.16 borers per plant. The studies further indicate that spacing of lights 75 to 100 feet apart is sufficient to attract the majority of borer moths.

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